UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/47/985
27 July 1993

ORIGINAL: ENGLISH

Forty-seventh session
Agenda item 153

FINANCING OF THE UNITED NATIONS OPERATION IN MOZAMBIQUE

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/47/969) which provides information on the financial performance of the United Nations Operation in Mozambique (ONUMOZ) for the period from 15 October 1992 to 30 June 1993 (para. 11 and annexes I and II); the cost estimate for ONUMOZ for the period from 1 July to 31 October 1993 (para. 12 and annexes III and IV); and the revised cost estimate for the entire mandate period from 15 October 1992 to 31 October 1993 (para. 13 and annex V). The report also provides the cost estimate for the maintenance of the operation for the period from 1 November 1993 to 31 October 1994, (paras. 14-17 and annexes VI, VII and X), should the Security Council decide to extend the mandate of the operation. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General who provided additional information to the Committee.

2. In paragraph 18 of his report, the Secretary-General outlines the actions that would appear to be required to be taken by the forty-seventh session of the General Assembly in connection with the financing of ONUMOZ.

3. On questioning by the Advisory Committee, however, it was discovered that as a result of phasing-in of contingent personnel, rental of premises and lower prices for data-processing equipment, the cost estimates could be revised downwards. Therefore the cost estimates for the mandate period 1 July to 31 October 1993 were revised to $110,810,700 gross ($109,218,100 net) instead of $113,477,700 gross ($111,885,100 net) as shown in paragraph 12 of the Secretary-General's report. Consequently, an appropriation of $63,943,400 gross ($61,347,700 net), taking into account the unencumbered balance of $46,867,300 gross ($47,870,400 net) 1/ is being requested instead of $66,610,400 gross ($64,014,700 net) mentioned in paragraph 18 of the Secretary-General's report.

4. The Advisory Committee notes that the current mandate of ONUMOZ will expire on 31 October 1993. Accordingly, the Secretary-General is requesting that the General Assembly, at its present session, make appropriate provision for ONUMOZ expenses for a further period beyond 31 October 1993, should the Security Council decide to extend the mandate. For reasons outlined in paragraph 17 of the report, the Secretary-General believes that it is prudent that continuing authorization exist for the operation.

5. The Advisory Committee recalls that by its resolution 797 (1992) of 16 December 1992, the Security Council decided to establish ONUMOZ, in line with the General Peace Agreement for Mozambique 2/ for a period until 31 October 1993. Subsequently, by its resolution 47/224 A of 16 March 1993, the General Assembly, in accordance with the Advisory Committee's recommendation (see A/47/896), appropriated a lump sum amount of $140 million inclusive of pre-implementation costs, for the operation of ONUMOZ for the period from 15 October 1992 to 30 June 1993.

6. The Advisory Committee's recommendation to the General Assembly for a lump sum appropriation of $140 million for the operation of ONUMOZ was based on the fact that with the delay in implementation of the initial operational plan for ONUMOZ it was not possible to quantify and assess the requirements of ONUMOZ for the entire mandate period. The Committee's comments in this regard are contained in paragraphs 9 to 14 of its report (A/47/896). The Committee's recommendation also called for the Secretary-General to submit to it by 1 July 1993 revised and detailed cost estimates for ONUMOZ for the entire mandate period, taking into account any adjustments in the operational plan and related decisions of the Security Council and the financial performance of ONUMOZ during the initial start-up period.

7. In this connection, the Security Council, seriously concerned at the delays in the implementation of major aspects of the General Peace Agreement, by its resolution 818 (1993) of 14 April 1993, inter alia, requested the Secretary-General to keep the Council informed of developments regarding the full deployment of the provisions of the Agreement, including on progress made concerning the finalization of the precise timetable for separation, cantonment and demobilization of forces, as well as for the elections and to submit a further report to the Council by 30 June 1993.

8. The Secretary-General's report on the subject 3/ dated 30 June 1993 envisages a new timetable with a cantonment of troops to start in July 1993. The formation of the new Mozambican Defence Forces (FADM) is to begin on 1 September 1993 and this would coincide with the opening of all the envisaged 49 assembly areas. A three-month registration period would begin in April 1994, with elections to be held in September-October 1994, after the rainy season. However, the report indicates that any major delays would result in a significant postponement of the elections until May-June 1995. According to his report to the Security Council, the Secretary-General is still awaiting final agreement on the timetable from the parties.

Expenditure for the period 15 October 1992 to 30 June 1993

9. As reflected in annex 1 of the report (A/47/969), total savings realized in respect of expenditure for ONUMOZ for the period from 15 October 1992 to 30 June 1993 are $46,867,300 gross ($47,870,400 net). The Committee was informed that the savings under objects of expenditure such as contingent personnel costs ($2,602,400), civilian personnel costs ($4,677,100), prefabricated housing units ($21,172,600), infrastructure repairs ($4,470,000), transport operations ($1,463,000), air operations ($1,848,300), communications ($5,758,600), and programmes related to former combatants in the assembly areas ($2,500,000) were mostly attributable to the delay in the start-up of the operation.

10. The Advisory Committee was also informed that expenditure over-runs relating to rental of premises ($740,200) were due to the extreme shortage of adequate accommodation; and $143,500 for landing fees and ground handling for air operations were due to the absence of a status of forces agreement on ONUMOZ which was only signed on 14 May 1993. The existence of such an agreement would, for the future, not only enable freedom of movement of contingent and civilian personnel, but also eliminate customs duties and take-off and landing fees which have up to now been levied on the operation by the authorities.

Cost estimates for the period from 1 July to 31 October 1993

11. The cost estimates for the above period provide for a total of 354 military observers, 6,625 military contingent personnel, 355 civilian personnel and 506 local staff as indicated in annexes IV and IX of the report.

12. The Committee was informed that as at 21 June 1993, of the total military personnel budgeted for, 251 military observers and 5,946 military personnel were in the mission area. The Committee was also informed that, owing to the phasing-in of contingent personnel, the related costs involved which are shown in annex III as $54,036,100 can be revised to $52,256,000. Consequently, related adjustments need to be made against such items of expenditure applicable to contingent personnel as standard troop cost reimbursement ($28,012,800), welfare ($367,700), rations ($5,430,400), and daily allowance ($993,000).

13. With regard to the civilian staffing component, the Committee notes that "owing to delays in the deployment of civilian staff, the costs for international staff include a 33 per cent vacancy factor and the costs for locally recruited staff include a 56 per cent vacancy factor" (annex IV, para. 8). A detailed cost breakdown is given in annex IX. In this regard the Committee was informed that as at 30 May 1993, a total of 139 international civilian posts and 215 local posts were occupied. Based on the information provided to it, the Advisory Committee believes that a considerably higher vacancy factor should be taken into account in calculating these costs for the period from 1 July to 31 October 1993.

14. That being said, the Committee would like to point out that in its report to the General Assembly (A/47/896), the Committee had not made any specific recommendations on the proposed civilian staffing for ONUMOZ. The Advisory Committee questions the need for an international civilian component of 355 personnel including 142 General Service staff. The Committee recommends

that the possibility of utilizing locally recruited personnel for secretarial, clerical and related functions be thoroughly explored with a view to achieving savings without affecting the level of efficiency. Furthermore, the Committee reiterates its recommendation that the use of volunteers in peace-keeping operations should be expanded (A/47/763, para. 49) and that it would be useful to request Member States to provide additional qualified civilian personnel to carry out non-core functions, thus reducing the costs of particularly large operations and containing the use of the limited resources of the Secretariat (A/45/801, para. 33; A/46/893, para. 17; A/46/904, para. 18; A/46/945, para. 21).

15. The Committee notes from annex II (para. 80) of the Secretary-General's report that an amount of $3,500,000 was expended during the period from 15 October 1992 to 30 June 1993 on programmes related to former combatants in the assembly areas and that an additional amount of $7,500,000 will be required during the period from 1 July to 31 October 1993. The estimate provides for the assistance that ONUMOZ, under the United Nations Office for Humanitarian Assistance Coordination and the International Organization for Migration, will provide to former combatants under the demobilization programme. In this connection, the Advisory Committee reiterates its view that there is a need to define clearly the role of assessed budgets for humanitarian activities.

16. The Advisory Committee also points out that the Secretary-General's report does not provide precise information with regard to voluntary contributions and other Trust Fund resources and expects that future submissions will contain this information so that the Committee is able to obtain a clearer picture of activities that are charged to these resources vis-à-vis assessed resources.

17. The Advisory Committee was informed that the charges for monthly rental of premises which had been erroneously reported as $346,797 (annex XI) have now been revised to $245,750 per month. Thus the estimated costs of $1,387,200 for rental of premises for the period 1 July to 31 October 1993 as reflected in annex III can be revised to $983,000. Notwithstanding this revision, the Advisory Committee trusts that every effort will be made to seek the Government's assistance in procuring warehouse and office space with minimum charge to the United Nations.

18. The Committee was informed that, since the preparation of the Secretary-General's report, more accurate and recent information with regard to prices for data-processing equipment has become available, thus reducing the total estimated cost as shown in annex III from $500,500 to $17,800. In this connection, the Committee notes that an amount of $2,225,000 was expended for data-processing equipment during the period from 15 October 1992 to 30 June 1993 and that the additional amount of $17,800 would be required during the period from 1 July to 31 October 1993 to complete the acquisition of data-processing equipment.

19. As stated in annex IV (para. 36), an increase in the number of minibuses required (from 11 to 111) is due to fewer contingent-owned vehicles arriving in the mission area than originally anticipated. The Committee notes that the additional 100 new minibuses will be obtained from the United Nations Transitional Authority in Cambodia (UNTAC) and that the cost estimate provides for their purchase price plus related freight charges ($1,058,000); this amount

would be credited to the appropriate UNTAC account. The Advisory Committee points out that Member States have already been charged for the vehicles and therefore it is not appropriate for them to be charged for the same items again even if the charge would be at depreciated rates and even though that charge would be a credit to UNTAC. In this connection, the Committee recalls its observation in the context of its reports on the financing of the missions in El Salvador and Angola (A/46/904, paras. 8 and 9 and A/46/945, para. 27).

20. The Advisory Committee notes that an amount of $1,243,500 is estimated during the period to complete the acquisition of vehicles. However, in this connection the Committee notes from annex VI (para. 5) and annex VII (para. 33) that for the period beyond 31 October 1993 provision of another $1,058,000 has been made for the purchase of an additional 100 minibuses from UNTAC. This would bring the total minibus fleet to 211.

21. The Committee understands that these minibuses are part of the 850 minibuses that were inadvertently purchased for UNTAC but not delivered to that mission. The Committee expects that full details of the transaction will be provided, and intends to review this issue in the context of its examination of the financial performance of UNTAC.

22. From the information provided to it, the Advisory Committee believes that the number of vehicles proposed is excessive not only in terms of ratio and distribution of vehicles to personnel but also in terms of suitability of vehicles such as light sedans to traverse inaccessible and inhospitable terrain.

23. On inquiry as to the high cost of petrol ($3.25 per gallon), the Committee was informed that negotiations are under way to obtain bulk purchases, and taking into account the expectation that future purchases would be excluded from all taxes and duties (see para. 10 above), a substantial reduction in the cost is anticipated.

24. With regard to general purchase of materials and services, the Advisory Committee reiterates its recommendation that whenever cost-effective and technically feasible, every reasonable effort should be made by the Secretariat, in accordance with established procurement procedures, to acquire services, resources and materials from local area sources (A/47/896, para. 13).

25. With regard to the mine-clearing programme, the Advisory Committee attempted to seek additional clarification as to the proportion of expenditure envisaged from the ONUMOZ budget vis-à-vis voluntary contributions. The Committee was informed that of the $11 million reflected in the report (annex V, para. 11), $7 million had been expended in road clearing and building contracts and the additional $4 million being requested for the period 1 July to 31 October provided for the establishment of a de-mining training school (annex IV, para. 79). The Advisory Committee was also informed that an additional amount of approximately $7.8 million has been made available for this purpose through voluntary contributions.

26. In view of its observations and taking into account the adjustments made by the Secretariat and referred to in the paragraphs above, the Committee recommends that an amount of $54 million gross be appropriated and assessed for the period from 1 July 1993 to 31 October 1993. On this basis, commitment

authority, with the prior concurrence of the Advisory Committee, of up to $20 million gross per month could be granted for the period beyond 31 October 1993 should the Security Council extend the mandate of ONUMOZ beyond that date. The Advisory Committee would consider any such request for commitment on the basis, inter alia, of a report on developments on the ONUMOZ timetable.

Notes

1/ The higher net figure is due to a change in the vacancy factor used to estimate staff assessment.

2/ S/24635 and Corr.1, annex.

3/ S/26034.